

Information Collections

SALES SUMMARY & FACILITY DATA

March 2004

BACKGROUND

The Sales Summary & Facility Data replaced the PAAS Solid Minerals Operation Report (SMOR) and Solid Minerals Facility Report (SMFR) with the August 2001 sales month. This marked the beginning of electronic reporting by companies for operation & facility data, and was in-part re-engineered to help reduce the companies' reporting burden.

SALES SUMMARY—the Authority:

30 CFR §210.10(c)(21), and 30 CFR §210.202, How do I submit sales summaries?

Sales summaries are part of the information collection required by MMS Minerals Revenue Management. The information collection associated with the sales summaries, Facility Data and Sales Contracts have been approved by OMB under 44 U.S.C. 3501 *et seq.* The information required on the sales summary and other required reporting forms are being collected by the Department of the Interior to meet its congressionally mandated accounting and auditing responsibilities relating to Federal and Indian mineral royalty management.

Payors are required to submit sales summaries in accordance with the statutory authority stated above. Subsection 210.10, explains who must report and why reporting must be done. Subsection 210.202 details what must be submitted by those payors that are required to do so.

It is important to note that the Sales Summary & Facility Data will be used together with the Production & Royalty report (MMS-4430) and other tools and documentation, such as sales contracts, in the end-to-end compliance process.

ABOUT THE SALES SUMMARY

Sales Summaries are submitted by the companies and are due monthly at the same time you submit the P&R. The data you submit must account for 100 % of your product sales. Specific lease types are those with ad valorem royalty terms (that is, leases for which royalty is a percentage of the value of production). For leases with no ad valorem royalty terms (that is, leases in which the royalty due is not a function of the value of production, such as cents-per-ton or dollars-per unit), you must submit monthly sales summaries only if we specifically request you to do so.

The Sales Summary was one of a couple reports re-engineered by the Solid Minerals & Geothermal Compliance and Asset Management of MMS. It was re-engineered, in part, to help reduce the companies reporting burden by allowing them to use their own internal document and format to report, rather than a government form. The only requirement is that reporters must report on certain data elements, which are outlined later on in this section.

Sales summaries must be submitted for any remote storage sites from which you sell Federal or Indian solid minerals. You do not have to submit a sales summary for those months in which you do not sell any Federal or Indian production. If you sell from five or fewer remote storage sites, you must submit a sales summary for each site. If you sell from more than five remote storage sites, you may total the data from all sites and submit the summarized data as one sales summary. The details you submit are for the same sales reported on Form MMS-4430 (P&R).

Sales summaries must be submitted electronically. There is, however, an exception to this rule. And that is most Indian Sales Summaries still come to MMS on hard copy via regular mail, which is acceptable. If, for reasons beyond your control, your sales summary cannot be submitted electronically, you can mail a hard copy or magnetic media to MMS. Under no circumstances should a sales summary ever be faxed! All reports are considered highly confidential and are treated as such by MMS personnel.

DATA REQUIRED

Use this table to determine the timeframes for submitting sales summaries and the data elements you must include in your submission.

Data element	Coal	Sodium/potassium	Western phosphate	Metals	All other leases with ad valorem royalty terms	All other leases with no ad valorem royalty terms
(i) Purchaser Name or Unique Identification.	Monthly	Monthly	Monthly	Monthly	Monthly	As Requested.
(ii) Sales Units	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly.
(iii) Gross Proceeds	Monthly	Monthly	Not Required	Monthly	Monthly	Not Required.
(iv) Processing or washing costs.	Monthly	Monthly	Not Required	Monthly	Monthly	Not Required.
(v) Transportation costs.	Monthly	Monthly	Not Required	Monthly	Monthly	Not Required.
(vi) Name of product type sold.	Not Required ..	Monthly	Not Required	Monthly	Monthly	As Requested.
(vii) Btu/lb	Monthly	Not Required ..	Not Required	Not Required ..	Not Required	Not Required.
(viii) Ash %	Monthly	Not Required ..	Not Required	Not Required ..	Not Required	Not Required.
(ix) Sulfur %	Monthly	Not Required ..	Not Required	Not Required ..	Not Required	Not Required.
(x) lbs SO2	Monthly	Not Required ..	Not Required	Not Required ..	Not Required	Not Required.
(xi) Moisture %	Monthly	Not Required ..	Monthly	Not Required ..	Not Required	Not Required.
(xii) By-product Units	Not Required ..	As Requested	Monthly	As Requested	As Requested ..	Not Required.
(xiii) P2O5 %	Not Required ..	Not Required ..	Monthly	Not Required ..	Not Required	Not Required.
(xiv) Size	Not Required ..	Not Required ..	Not Required	Not Required ..	As Requested ..	Not Required.
(xv) Net Smelter Return data.	Not Required ..	Not Required ..	Not Required	Monthly	Not Required	Not Required.
(xvi) Other Data e.g., Royalty Calculation Worksheet.	As Requested	Monthly	As Requested	As Requested	As Requested ..	As Requested.

The sales summary comparison is made to the originally submitted P&R (MMS-4430). It is a snapshot of your sales at the end of the month. This is the reason you should not submit revisions or adjustments to your sales summary. Even if you have submitted a corrected P&R report, do not submit a corrected sales summary to that corrected P&R. Also, please do not add adjustments to a prior month's sales in the current month! We are looking for unadjusted numbers. The P&R contains rolled-up data; the sales summary is the detail in that roll-up which breaks out each product. If an adjusted sales summary must be submitted, please ensure that any changes are identifiable from original sales. If we cannot differentiate the adjustments, we may ask you to resubmit that report. We also want to see the effect of any discounts, rebates, and exchanges. Sodium/potassium producers must break sales down by foreign and domestic customers.

FACILITY DATA – the Authority

30 CFR §210.10(c)(19), and 30 CFR §210.204, How do I submit facility data?

Facility data is also a part of the information collection required by MMS Minerals Revenue Management. The information collection associated with facility data have been approved by OMB under 44 U.S.C. 3501 *et seq.* The information required on the facility data and other required reporting forms is being collected by the Department of the Interior to meet its congressionally mandated accounting and auditing responsibilities relating to Federal and Indian mineral royalty management.

Some payors are required to submit facility data in accordance with the statutory authority stated above. Subsection 210.10, explains who must report and why reporting must be done. Subsection 210.204 details what must be submitted by those payors that are required to do so.

As stated in the sales summary section, it is important to note that the Sales Summary & Facility Data will be used together with the Production & Royalty report (MMS-4430) and other tools and documentation, such as sales contracts, in the end-to-end compliance process.

ABOUT FACILITY DATA

Facility data must be submitted monthly by operators of wash plants, refining, ore concentration, or other processing facilities for any coal, sodium, potassium, metals, or other solid minerals produced from Federal or Indian leases with ad valorem royalty terms, if those processed products are royalty bearing. You must report on a facility regardless of whether it is on or off the lease.

You do not have to submit facility data for those months in which you do not process solid minerals produced from Federal or Indian leases and do not have any such minerals in a stockpile inventory.

You must include in your facility data, all production processed in the facility from all properties, not just production from Federal and Indian leases.

FACILITY DATA BACKGROUND

Facility Data is another of those reports re-engineered by the Solid Minerals & Geothermal CAM. As with sales summaries, it was re-engineered, in part, to help reduce the companies reporting burden by allowing them to use their own internal document and format to report, rather than a government form. You do not need to re-format them before submitting them to us. The only requirement is that reporters must include the following minimum information:

- Identification of your facility;
- Mines served;
- Input quantity;
- Input quality or ore grade (except for coal);
- Output quantity; and
- Output quality or product grades.

As a reminder, if you are conducting a compliance audit for the year 2001, you may be dealing with two different operation and facility reports. Those companies required to submit sales summaries and facility data would have reported on a PAAS SMOR and SMFR for July 2001 and prior periods. The facility data and sales summary would begin with the August 2001 submission.

All facility data must be submitted electronically to the RubyMailbox (covered later). As with the sales summary, there is that exception to the electronic reporting rule. That is the Indian Sales Summaries...most still come via regular mail. If, for circumstances beyond your control, your facility data cannot be submitted electronically, you can mail MMS a hard copy or magnetic media containing the data. We'll continue to stress that your reports should never be faxed due to their confidential nature.

Companies must submit facility data monthly, along with Form MMS-4430 (P&R).

WHY IS FACILITY DATA NEEDED?

The Bureau of Land Management (BLM) will use facility data to ensure that all production is accounted for. MMS is the central repository for all reports. The BLM is authorized to view facility data. All BLM requests for facility data and sales summaries should be requested in writing. MMS will act promptly to respond to all BLM requests.

MMS checks the facility data against the original P&R submission. If you have submitted corrected a P&R and corrected facility data based on that corrected P&R, we may have to have the corrections backed out or have you resubmit your report, if we cannot differentiate the changes from the original P&R. Please ensure that any adjustments you make are clear.

Federal and Indian lease terms allow us to request detailed statements, documents, or other evidence necessary to verify compliance with lease terms and conditions and applicable rules. We may request additional information as we need it, not as a regular submission. This statement applies to all documents required by 30 CFR §210.

DATA REQUIRED

The slides on the opposite page outline the data required at both the mine and facility level for:

- Clean/blended coal producers
- Metals producers
- Sodium/Potassium producers

The data a company normally collects for its own use will suffice as long as these elements are present. Data can be submitted 'as is' (does not need to be transferred to any government form).

Auditors want to see the movement of materials defined. In a sense you could look at Chapter I as the mine data, and Chapter II as the facility data. For instance, you would report the required input and output data from a copper mill and subsequent input and output data from a smelter that copper may have gone to.

FACILITY DATA USE

Facility Data is used to assure that sales volumes and values are properly allocated to Federal and Indian leases, and to assure that contract specifications are followed (i.e., BTU factor). The input of raw production should be consistent with the output of the processing plant. Facility data should contain the data necessary to conduct compliance and audit work.

The Bureau of Land Management (BLM) and STRAC partners are the only other parties authorized to view facility data. State STRAC will be able to obtain facility data through MMS' eRoom database. The BLM and Tribal STRAC partners will obtain facility data by written request, through MMS.

As an important note to STRAC...remember, you may be dealing with two different reporting elements while conducting audits. The SMOR & SMFR production reports for July 2001 and prior reporting periods and the sales summary and facility data from August 2001 forward.

SUBMITTING YOUR SALES SUMMARY AND FACILITY DATA FILES – File Naming Convention

Once you have compiled your data, you will save the file to prepare for transmission. There have been a couple of correspondences sent out identifying the proper name that reports should be submitted in.

From: Throckmorton, Michael
To: Donato, Doug
Cc: MRM Onshore CAM Solid & Geothermal
Subject: This message is from MMS

Sent: Thu 11/20/2003 4:20 PM

Hello All,

A few days ago I sent you an e-mail asking you to follow a revised naming convention for the Sales Summaries and Facility data you submit to MMS.

Unfortunately, I didn't look at my own previous instructions when I wrote the e-mail, so I mixed up the order of the data elements that comprise the files names, and I decreased the number of digits allocated for mine number.

So, here is the correct format, with our new addition of State or other two letter code added to the end of the old name:

S3_zzzzzzzz_MAzzz_052003_CO

Please note:

1. Before the state suffix, you need to add an underscore.
2. For mines on Indian lands, please add one of the following two digit codes applicable to your mine (don't add both the state code and this code):

- NN - (Navajo) - Navajo Mine
- HN - (Hopi & Navajo) - Black Mesa & Kayenta Mines
- NX - (Navajo & New Mexico) - McKinley Mine
- CR - (Crow) - Absaloka Mine
- SX - (Tohono O'odham/San Xavier) - Mission Mine
- PL - (Pyramid Lake) - Paiute Pit

and

3. Instead of x's to designate digits, I used z's. Apparently, some of your e-mail filters determined that I was sending you ___ (the word rhymes with worn), and wouldn't let my e-mail through.

I apologize if the previous message confused anyone.

Mike Throckmorton

From: Throckmorton, Michael
To: Donato, Doug
Cc: MRM Onshore CAM Solid & Geothermal
Subject: This message is from MMS

Sent: Tue 11/18/2003 9:53 AM

Hello All,

Those who submit Sales Summaries or Facility data to MMS, please read further--we have changed the file naming convention. (If you don't submit Sales Summaries/Facility data on a regular basis, we may ask you to submit yours in the future, so please save this message with your data filing instructions.)

We request that you make a slight change to your file naming convention. Please begin this change immediately, regardless of whether you are up to date in submitting your reports.

For those of you who report on mines on Federal lands, please add the two digit U.S. Postal Service state abbreviation code applicable to your mine to the end of your file name. For example, S1_XXXXX_199901_MA901_CO.

For those of you who report for mines on Indian lands (at least in part), please add one of the following two digit codes applicable to your mine:

- NN - (Navajo) - Navajo Mine
- HN - (Hopi & Navajo) - Black Mesa & Kayenta Mines
- NX - (Navajo & New Mexico) - McKinley Mine
- CR - (Crow) - Absaloka Mine
- SX - (Tohono O'odham/San Xavier) - Mission Mine
- PL - (Pyramid Lake) - Paiute Pit

Thanks,

Mike Throckmorton

The initial instructions are further defined in the File Zipping Procedures detailed further in this section. Please ensure all files have an extension before you zip them. The reason this naming structure is needed is because MMS has instituted an automated process that your file will go through once we receive it through the RubyMailbox, which will place it into eRooms. eRooms is covered as the next topic in this manual.

When your submission is received, it is unzipped, then put in a place where it waits to be moved into eRooms. If you are re-submitting a different report for the same period, put an indication in the e-mail that transmits the changed report. That way we know that it is a re-submission and we'll take steps to replace the previous file.

SUBMITTING YOUR SALES SUMMARY AND FACILITY DATA FILES – Reporting File Formats

If you use non-Office software, please contact your software company to determine which Office program your file can be associated with. We will work with you to ensure we can read your submission.

Now you are ready to transmit your files. You must zip your file with the password supplied to you by MMS staff for security. If you have forgotten your password, contact Mike Throckmorton, who will be happy to assist you. For those of you who are unfamiliar with zipping files, the following procedure will guide you along that process. You can zip one or multiple files in your submission. You may submit a combination of sales summaries and facility data if you wish. Using the proper naming convention will ensure proper placement of your files.

PROCEDURES FOR ZIPPING FILES

FILE NAMING CONVENTION

It is important to pay attention to the file naming convention when creating and zipping files.

Data File Name:

Per prior instructions issued, the name of the actual data file should follow this structure:

S1_12345678_MA123_012002.ext

S1 = Sales Summary or Facility Report

S - use this letter to submit a Sales Summary

F - use this letter to submit a Facility Report

1 – identification for a separate facility or sales location.

For those who report on more than one component, please increment this number sequentially and be uniform (always associate the same assigned number with the same facility or sales point each month). **NOTE:** *If submitting a changed file, please let us know in your e-mail to the RubyMailbox so we can be aware to replace the file. Do not increment this number.*

12345678 = Your 8-digit mine number

MA123 = Your 5-digit payer number

012002 = The period you are reporting for (should be monthly)

.ext = This is the extension for the program format your data file was created with (i.e., xls is Excel, doc is Word, mdb is Access, etc.). If you are unsure about the extension, please contact your software company to determine which Office2000 program your file can be associated with. It is very important that your data file come with a file association. Please ensure all files have an extension before you zip them.

Zip File Name:

If you have only one data file to submit, you may name the zipped file the same as the data file (this is explained later during the zipping process).

If you are zipping multiple files into one zip file, use a name that is meaningful and which we can easily identify with your submissions. Do not use generalizations such as, Reports.zip, January 2002.zip, or Sales Summaries.zip. Please realize that other reporters may use these same filenames.

PASSWORD

Each reporter was supplied with a unique password to attach to each zipped file for security measures. All passwords are **case sensitive**. Saving a zipped file with any alteration may result in our inability to unzip your file. Please ensure that you have typed your password exactly as provided.

DUPLICATE SUBMISSIONS

There may be times when you are unsure if we have received your submission. Sending report(s) through more than once causes confusion. If in doubt, call us at (303) 231-3370 before attempting to re-send your report(s). The following tip may also be helpful.

To avoid duplicate submissions of data, a reporter should check the "Request a Read Receipt for this Message box", which is under the Options button in Outlook before sending. Then you will receive confirmation, via Outlook, that we have received your file once we have opened it.

ZIPPING FILES

There are different ways to locate the file(s) you intend to zip. The easiest way to find your files is through the Explorer.

Single File:

1. Open the Explorer and locate the file.
2. Click once on the file you wish to zip. When you have selected the desired file, it will appear 'highlighted' or 'darkened'.
3. While positioning the cursor inside the highlighted area, click on the right mouse button. A drop down menu will appear. You can also access this drop down menu by clicking on the File button on the toolbar.
4. Position the cursor on WinZip. Another sub-menu will appear.
5. Click on the 'Zip and E-mail Plus' button. A pop up box will appear.
6. You may opt to click on the:
 - o 'Use the Name

- o 'Use the Name
- o 'Use this Name' button which allows you to type in your own zip filename (do not type in a .zip after the name, the system will automatically do this for you).

7. Click on the 'password protect Zip file' button. Another pop up box will appear and prompt you for a password.
8. Type in your unique supplied password (remember it is case sensitive). There is another box which you must type the password in a second time.
9. Click on the 'mask password' box. Once it is checked, another pop up box will appear named 'Choose Profile'.
10. Make sure that Outlook appears in the Profile Name.
11. Click on the 'OK' button. You will then be taken to Outlook where the zip file will automatically appear as an attachment.
12. Now you are ready to send your report to the RubyMailbox!

Multiple Files:

Please do not zip **folders** containing multiple files, or folders containing multiple **subfolders** with multiple files. The effect this has when we unzip your file, is that the folder you have zipped will create itself exactly as you zipped it, in our file structure.

1. Open the Explorer and locate the files.
2. To select multiple files, simply hold down the Ctrl button and click on all files you wish to zip. They will appear to be 'highlighted/darkened'.
3. While positioning the cursor inside the highlighted area, click on the right mouse button. A drop down menu will appear. You can also access this drop down menu by clicking on the File button on the toolbar.
4. Position the cursor on WinZip. Another sub-menu will appear.
5. Click on the 'Zip and E-mail Plus' button. A pop up box will appear.
6. Click on the 'Use this Name' button which allows you to type in your own zip filename (do not type in a .zip after the name, the system will automatically do this for you). Do not click the 'Use the Name
7. Click on the 'password protect Zip file' button. Another pop up box will appear and prompt you for a password.
8. Type in your unique supplied password (remember it is case sensitive). There is another box which you must type the password in a second time.
9. Click on the 'mask password' box. Once it is checked, another pop up box will appear named 'Choose Profile'.
10. Make sure that Outlook appears in the Profile Name.
11. Click on the 'OK' button. You will then be taken to Outlook where the zip file will automatically appear as an attachment.
12. Now you are ready to send your report to the RubyMailbox!

This page is intentionally blank

SUBMITTING YOUR SALES SUMMARY AND FACILITY DATA FILES – Where to Submit a Sales Summary or Facility Data

Reminder....Under no circumstances should you fax your reports! These reports are considered highly confidential documents and are treated as such by MMS personnel. If you must mail by courier service or overnight mail, please use the following address:

Minerals Management Service
Minerals Revenue Management
Solid Minerals & Geothermal CAM
West 6th Ave & Kipling St.
Building 85, Room A614
Lakewood, CO 80225

HOW CAN STRAC ACCESS SALES SUMMARY & FACILITY DATA?

STRAC Partners and the BLM are the only parties, other than certain MMS staff, who are allowed access to facility data. State STRAC Partners may access facility data electronically through the eRoom (covered next). However, at this time, there are access issues which are currently being worked out by MMS' customer support provider. Once these access issues have been resolved, State STRAC Partners will be notified. Until such time, State STRAC should request facility data in writing to MMS.

Tribal STRAC Partners and the BLM may request facility data, in writing (e-mails are acceptable). MMS will make every effort to provide facility data to authorized parties in an expeditious manner.

eROOMS

March 2004

WHAT ARE eROOMS?

eRooms is a powerful tool. MMS' primary use for e-rooms is to store compliance data, sales summaries and facility data. Besides being used for storage and retrieval of files, you can put an issue up for vote, have an on-line meeting, schedule important dates, and so on.

WHY DO WE USE eROOMS?

MMS is the central repository for storage and retrieval of required reports. eRooms allows central storage and electronic access of this confidential data, to State STRAC Partners and MMS compliance personnel. Compliance procedures, guidance materials, and other documentation are also stored in eRooms. It is quite resourceful. It also allows fast and easy retrieval of data requested by authorized parties.

eRooms contains role level security, which prevents unauthorized access and use of the sales summary and facility data.

The central storage of compliance data is important as it allows the knowledge and efforts of the specialist or auditor to be transferred between other specialists and auditors, including STRAC & management.

ACCESS TO eROOMS

At this time, only STRAC State Partners will have access to eRooms. They will only have access those mines which they audit, and their eRoom view will be limited to such, due to their confidential nature. As discussed earlier, there are currently access issues which MMS' customer support provider is working to resolve. State STRAC Partners will be notified when access may resume.

BLM does not have access to eRooms. At this time Tribal STRAC Partners do not have access to eRooms. Their requests for facility data must be done in writing (e-mails are accepted). MMS will make every effort to expeditiously fill all data requests.

eRooms training was conducted by Randy Meyer. If you have trouble accessing eRooms, call Randy for assistance at (303) 969-6301, extension 487.

THE SOLIDS eROOMS:

Currently, Solids has two storage data-bases constructed in e-rooms. One is called the SOLID MINERALS & GEOTHERMAL RESOURCES CAM and is used for *storage of property analyses and compliance work*. This eRoom contains:

- Templates for data storage
- Compliance and monitoring procedures
- Folders for each mine to store compliance work information
- Separate folder for STRAC communication
- Library & reference links (valuable information)
- Listing of STRAC & BLM contacts

At this time STRAC does not have access to this particular eRoom site. When it does come available, we strongly encouraged STRAC to use this cite to store their compliance work. It makes it easier for someone else to pick up the ball in cases of employee turnover, and allows management to track the progress of your work. It also allows future specialists to look for trends or to obtain background information from prior audits.

The other eRoom is called SOLIDS SALES SUMMARY & FACILITY DATA and is used for *report storage*. This eRoom contains:

- Link to statutory authority in 30 CFR
- Calendar to log important dates
- Communication file which contains instructions from MMS to Reporters regarding the required sales summary and facility data documents
- Mine list folder which contains a list of all active mines which must report, and a spreadsheet indicating what reports have/have not been received for each mine
- The procedures folder contains access control procedures

Individual mines are accessed through the appropriate State or Tribe folder. Items in eRooms are updated as the need arises, especially for instances of updated or new procedures, or with submission of reports. Remember, STRAC will not have access to all folders that are viewable by MMS staff.

A STRAC VIEW OF THE SALES SUMMARY & FACILITY DATA eROOM - example

This is one Tribe's view of the Sales Summary & Facility Data eRoom. The State's view will be similar...they will only be able to see data for the mines in their state. Only STRAC States will have access to this particular eRoom. States did have access, but there is currently a problem with State User Groups and their members which MMS' Customer support is working to resolve. The STRAC Tribe's nor BLM do not have access to eRooms. Tribal STRAC members can, however, submit written requests for sales summaries and facility data to MMS. We can provide you the information you need to complete your audit through the mail.

SALES CONTRACTS

March 2004

SALES CONTRACTS – the Authority

30 CFR §210.203

Sales contracts are part of the information collection required by MMS Minerals Revenue Management. The information collection associated with the sales contracts, sales summaries and facility data have been approved by OMB under 44 U.S.C. 3501 *et seq.* The information required on sales contracts and other required reporting forms are being collected by the Department of the Interior to meet its congressionally mandated accounting and auditing responsibilities relating to Federal and Indian mineral royalty management.

Payors are required to submit sales contracts in accordance with the statutory authority stated above. This information allows auditors to tie into tonnages mined and prices sold for, during any given period, as well as other pertinent information necessary to conduct audit.

Sales contracts, sales summaries & facility data will be used together with the Production & Royalty report and other tools and documentation in the end-to-end compliance process.

WHAT AND WHEN TO SUBMIT

Auditors want to learn all we can about a companies operation in order to perform compliance and audit properly. It is important that you send us sales contracts with appropriate signatures and dates. This is the auditors' indication that a contract is legal and binding.

The second slide lists some of the types of documents that constitute a sales contract. Each helps us to identify sales. Legal documents are important if they affect the value of the contract.

Sales contracts are sent semi-annually, on March 30 and September 30 of each year, to the same address that sales summaries and facility data are sent to (that address is contained in the sales summary & facility data section above).

ACCESS TO SALES CONTRACTS

Information submitted under 30 CFR §210, that constitutes trade secrets or commercial and financial information that is identified as privileged or confidential, or that is exempt from disclosure under the Freedom of Information Act, 5 U.S.C 552, shall not be available for public inspection or made public or disclosed without the consent of the lessee, except as otherwise provided by law or regulation. This statement applies to sales summaries and facility data as well.

All requests for sales contracts must be made in writing. Neither STRAC nor the BLM can access sales contracts electronically. MMS keeps these highly confidential documents under tight security. Please state the purpose, and other information such as the mine name and number, audit or period under review, etc., so that we can locate the contracts you are requesting expeditiously. Please do not attempt to contact industry directly for a sales contract.

HOW DO AUDITORS USE SALES CONTRACTS?

Sales Contracts should allow auditors to tie into sales summary, facility data figures, and ultimately the P&R reports. They help auditors to understand selling arrangement relationships, and identify arms-length vs. non arms-length transactions. They are used in identifying valuation issues. Sales contracts also help auditors to understand the operation they are auditing to ensure a good audit.

A low-angle, upward-looking photograph of a large industrial facility. The structure is composed of a complex network of metal beams and walkways, illuminated by warm, yellow lights. In the foreground, a large, dark, conical pile of material, possibly coal or ore, dominates the lower half of the frame. The overall atmosphere is industrial and dramatic.

SALES SUMMARY & FACILITY REPORT

AUTHORITY

Payors are required to submit SALES SUMMARIES per

- ◆ 30CFR§210.10(c)(21), and
- ◆ 30CFR§210.202 How do I submit sales summaries?

SALES SUMMARY

- ◆ Must be submitted monthly by producers of specific solid minerals from specific Federal and Indian lease types, or when otherwise requested by MMS (see 30CFR §210.202)
- ◆ Provides snapshot at the end of the month
- ◆ Company internal document are acceptable

SALES SUMMARY

- ◆ You must submit a separate sales summary for each remote storage site (up to 5 sites)
 - ◆ You do not have to submit for those months in which you do not sell any Federal or Indian production
 - ◆ Must be submitted electronically
- 
- A stylized, teal-colored mountain range graphic is located in the bottom right corner of the slide, extending from the right edge towards the center.

SALES SUMMARY

- ◆ Sales summary requires a list of sales by product to each customer:
 - Volume and value of sales
 - Different delivery points to the same buyer
 - Bagged vs. bulk of the same product or products sold in different size bags

SALES SUMMARY

- ◆ Data needed:
 - ◆ Product name
 - ◆ Buyer name
 - ◆ Product quality
 - ◆ Sales tonnage
 - ◆ Sales value (actual proceeds received after discounts or rebates)
 - ◆ Transportation costs and packaging costs (if any)
 - ◆ Na/K producers – report sales broken down by foreign and domestic customers

SALES SUMMARY

- Revisions and Adjustments
 - ◆ Do not include adjustments or revisions
 - ◆ If adjustments must be included, they should be identifiable from original sales (what was original data vs. the adjustments)
- 

HOW DOES STRAC & MMS USE THE SALES SUMMARY?

The sales summary is a snapshot of your sales at the end of the month. It is used:

- ◆ For compliance purposes
- ◆ To tie to initial P&R for the month
- ◆ To tie to the Facility Data
- ◆ To tie to Sales Contracts
- ◆ To assure that sales volumes and values are properly attributed or allocated to Federal or Indian leases

AUTHORITY

Payors are required to submit
FACILITY DATA per

- ◆ 30CFR§210.10(c)(19), and
- ◆ 30CFR§210.204 How do I submit facility data?

FACILITY DATA

- ◆ Who must submit: If you process products prior to sale, and those processed products are royalty bearing, you must submit Facility Data for processing facilities such as:
 - ◆ Washplants
 - ◆ Refineries
 - ◆ Ore concentrators
 - ◆ Smelters

FACILITY DATA

- ◆ Must be submitted monthly by operators of processing facilities, for specific solid minerals produced from specific Federal and Indian leases with ad valorem royalty terms, or when otherwise requested by MMS (see 30 CFR §210.204)
- ◆ Exception for non-producing months with no stockpile inventory
- ◆ Must include data from all production processed in the facility from ALL properties, not just production from Federal and Indian leases

FACILITY DATA

- ◆ Not a government form
- ◆ Company internal document
 - Shows how you process raw production into marketable products
 - Provides data for the whole mine
- ◆ Reduces your reporting burden
- ◆ Replaced monthly PAAS SMOR and SMFR reports in August '01
- ◆ Must be submitted electronically

FACILITY DATA

- ◆ When to submit: monthly, by the end of the month following the month in which production or sales occur

FACILITY DATA

- ◆ Why: BLM and MMS use this data for our compliance verification responsibilities to assure that we account for all production
- ◆ By submitting this data to us, you won't have to submit the same data to BLM

FACILITY DATA

- ◆ Output quantities from the Facility Report are the Units Produced on the P&R
- ◆ We need to know how you correct your mistakes

FACILITY DATA REPORTS

- ◆ Data required:

- Clean/Blended Coal Producer

- ◆ Mine Data

- Beginning inventory of raw coal
 - Raw coal mined
 - Raw coal transfers to washplant
 - Ending raw coal inventory
 - Quality parameters that BLM requires (i.e., BTU and ash content)
 - Changes to the above numbers

FACILITY DATA

◆ Data required:

– Clean/Blended Coal Producer

◆ Facility Data

- Beginning inventories of raw/clean/blend coal
- Raw coal transfers to the washplant
- Tons of raw coal washed
- Tons to clean coal output
- Tons of blended coal output
- Transfers to each product to remote(s)
- Sales of each product-the sum of these should dovetail into the P&R and Sales Summary
- Ending Inventories for each product
- Coal Quality, as required by BLM
- Changes to the above numbers

FACILITY DATA

◆ Data required:

– Metals Producer

◆ Mine Data

- Beginning ore inventory
- Ore mined
- Ore transfers to the mill
- Ending ore inventories
- Ore quality parameters that BLM requires
- Changes to the above numbers

FACILITY DATA

◆ Data required:

– Metals Producer

◆ Facility Data

- Beginning ore and concentrate inventories
- Ore transferred to the mill
- Ore processed
- Quantity of each ore concentrate produced
- Output quantities are those entered on the P&R Report as Units Produced
- Concentrate assays
- Concentrate sales to smelter
- Ending inventories for each concentrate
- Changes to the above numbers

FACILITY DATA

- ◆ Data required:

- Na/K Producer

- ◆ Mine Data

- Beginning ore inventory, e.g. trona ore
 - Current month's ore production, e.g. trona ore
 - Ore transfers to the facility (facilities)
 - Ending ore inventory
 - Ore quality parameters that BLM requires
 - Changes to the above numbers

FACILITY DATA

◆ Data required:

– Na/K Producer

◆ Facility Data

- Beginning inventories of ore and products
- ore transfers to the facility (ies)
- Tons of ore consumed in making each product
- Tons of each salable product made
- Transfers to other facility (ies)
- Transfers of each product to remote(s)
- Sales of each product – the same of these should dovetail into the P&R and Sales Summaries
- Ending Inventories for each product
- Product Qualities
- Changes to the above numbers

FACILITY DATA USE

- ◆ Is used for compliance work
- ◆ Is used along with the Sales Contracts and Sales Summary to tie into the Production & Royalty Report (P&R-MMS-4430)
- ◆ To assure that Federal or Indian lease processed production is consistent with the input of raw production
- ◆ BLM uses Facility Data

FILE NAMING CONVENTION

S1_12345678_MA123_012002_CO.ext

S = Sales Summary; **F** = Facility Report

1 = identification number for a separate facility or different sales points

12345678 = 8-digit mine number

MA123 = 5-digit payor number (Customer ID)

012002 = the month you are reporting for

CO = the State/Tribe that the mine is located in

.ext = identifies the format the file is saved in.

REPORTING FILE FORMATS

- ◆ All formats are accepted but some are preferred over others for their ease to work with
- ◆ Excel – best choice as it easily allows cut & paste of data
- ◆ Databases – are saved in different fashions, difficult to work with, sometimes difficult to view
- ◆ Word & .txt files – can format, but takes work
- ◆ Adobe Acrobat .pdf – make sure the file is readable, cannot cut & paste data
- ◆ Other – it is best to check with MMS staff to determine if file is readable as we may not have the software to view the file in, and it may need to be saved in another format before transmittal

HOW TO SUBMIT A SALES SUMMARY OR FACILITY DATA

- In reporting electronically, we'll work with you to ensure that we can utilize your submission.
- Submit via email to:
rubymailbox@mms.gov
- If you can't submit electronically, we'll accept a paper copy or magnetic media, sent to the following address:



**Minerals Management Service
Minerals Revenue Management
Solid Minerals & Geothermal CAM
P.O. Box 25165, MS 390B2
Denver, CO 80225-0165**

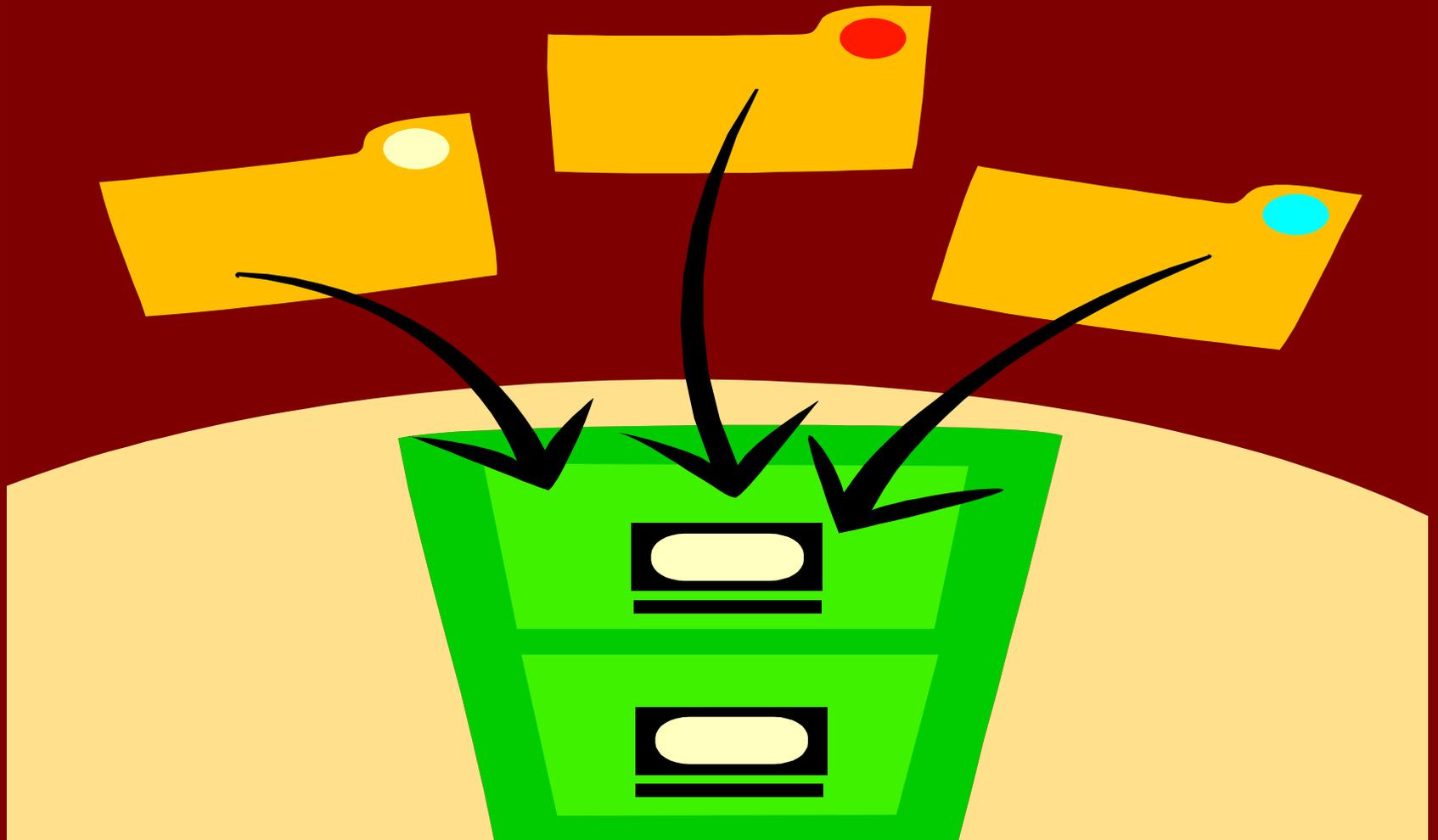
USES OF FACILITY DATA

- ◆ Assuring that sales volumes and values are properly attributed or allocated to leases
- ◆ Assuring that contract specifications have been followed (e.g. BTU factor)
- ◆ Provides factors that will enable MMS & STRAC to perform analyses for compliance and audit work

HOW CAN STRAC ACCESS?

- ◆ Sales Summary & Facility Data are stored in e-Rooms
- ◆ Invitations to e-Rooms have been sent out
- ◆ Contact Randy Meyer (303) 969-6301 X497 or Karen Garza (303) 231-3352, if you require another invitation

e-ROOMS



WHAT ARE eROOMS?

- ◆ A web-based workplace that allows people to work together and collaborate on content and processes
 - ◆ eRoom is flexible and can be configured to support a wide range of business processes.
- 
- A decorative graphic of a teal mountain range is located in the bottom right corner of the slide.

WHY WE USE eROOMS?

- ◆ A central location to store sales summary and facility data required from Solid reporters per 30 CFR §210.202 and §210.204
- ◆ A central location to store compliance procedures, and data gained from compliance specialist fieldwork
- ◆ Allows easy retrieval of stored data for compliance analysis by MMS and/or STRAC personnel

ACCESS TO eROOMS

- ◆ eRooms may be accessed only by the Solid Minerals personnel of MMS and STRAC auditors
- ◆ Due to the **confidential** nature of the proprietary documents contained in eRooms, folders are hidden from view of those who do not have the proper authority
- ◆ Any request to release these data to parties not authorized by MMS must be processed through the Freedom of Information Act (FOIA)

HOW DO I ACCESS EROOMS?

- ◆ Through CITRIX Neighborhood
- ◆ Click on the eRooms icon
- ◆ If you do not see the icon to eRooms, you will have to submit a SARF

Solid Minerals & Geothermal Resources CAM

an eRoom created on 16 Apr 03

create
 search
 events
 task summary
 members

NOTICE TO USERS - THIS eROOM IS ACCESS RESTRICTED.

- Access is limited to parties authorized by the Department of the Interior, Minerals Management Service, Minerals Revenue Management. The folders are hidden from view to those that do not have the proper authority.

Please contact this eRoom's coordinator for additional information.

BACKGROUND TEMPLATE	PROPERTY ASSIGNMENT TEMPLATE	FINANCIAL TEMPLATE	STATE OR TRIBE TEMPLATE	CAM PROCEDURES	BLM CONTACTS
LIBRARY & REFERENCE LINKS	Solids Sales Summary & Facility Original eRoom	COMPLIANCE - PROPERTY ASSIGNMENTS	STRAC CONTACTS	CTS open cases	Recycle Bin

Your Hidden Items

FEDERAL	INDIAN	MODEL PROPERTIES	STRAC
---------	--------	------------------	-------

Solid Minerals & Geothermal Resources CAM

- BACKGROUND TEMPLATE
- BLM CONTACTS
- CAM PROCEDURES
 - COMPLIANCE - PROPERTY ASSIGNMENTS
 - CTS open cases
- FEDERAL
- FINANCIAL TEMPLATE
- INDIAN
- LIBRARY & REFERENCE LINKS
- MODEL PROPERTIES (RUBY)
- PROPERTY ASSIGNMENT TEMPLATE
- Solids Sales Summary & Facility Original eRoom
- STATE OR TRIBE TEMPLATE
- STRAC
- STRAC CONTACTS
- Recycle Bin

SOLIDS SALES SUMMARY & FACILITY DATA

- 30 CFR 210.202 & 210.204
- AL_ALABAMA
- AR_ARKANSAS
- AZ_ARIZONA
- CA_CALIFORNIA
- Calendar
- CO_COLORADO
- Communication
- CR_CROW TRIBE
- HI_HAWAII
- HN_NAVAJO TRIBE & HOPI TRIBE
- KY_KENTUCKY
- MINE LIST
- MO_MISSOURI
- MT_MONTANA
- ND_NORTH DAKOTA
- NM_NEW MEXICO
- NN_NAVAJO TRIBE
- NX_NAVAJO TRIBE & NEW MEXICO
- OK_OKLAHOMA
- PL_PYRAMID LAKE PAIUTE TRIBE
- PROCEDURES
- SX_TOHONO O'ODHAM/SAN

SOLIDS SALES SUMMARY & FACILITY DATA

an eRoom created on 13 Mar 03

NOTICE TO USERS - THIS eROOM IS ACCESS RESTRICTED.

- Access is limited to parties authorized by the Department of the Interior, Minerals Management Service, Minerals Revenue Management. Due to the confidential nature of these proprietary documents, the folders are hidden from view to those that do not have the proper authority.
- Due to the proprietary and confidential nature of these documents, any request to release these documents to parties not authorized by MMS must be processed through the Freedom of Information Act (FOIA).

This eROOM is a repository for proprietary sales summary and facility report originals submitted by the solid minerals reporters per 30 CFR subsections 210.202 and 210.204. Please contact this eRoom's coordinator for additional information.

 MINE LIST	 Communication	 PROCEDURES	 30 CFR 210.202 & 210.204	 Calendar	 Recycle Bin
---	---	---	--	--	---

Your Hidden Items

 AL_ALABAMA	 AR_ARKANSAS	 AZ_ARIZONA	 CA_CALIFORNIA	 CO_COLORADO	 CR_CROW TRIBE
---	--	--	--	--	--

Map Search

SOLIDS SALES SUMMARY & FACILITY DATA

- 30 CFR 210.202 & 210.204
- Calendar
- Communication
- HN_NAVAJO TRIBE & HOPI TRIBE
- MINE LIST
- PROCEDURES
- Recycle Bin

SOLIDS SALES SUMMARY & FACILITY DATA

an eRoom created on 13 Mar 03

NOTICE TO USERS - THIS eROOM IS ACCESS RESTRICTED.

- Access is limited to parties authorized by the Department of the Interior, Minerals Management Service, Minerals Revenue Management. Due to the confidential nature of these proprietary documents, the folders are hidden from view to those that do not have the proper authority.
- Due to the proprietary and confidential nature of these documents, any request to release these documents to parties not authorized by MMS must be processed through the Freedom of Information Act (FOIA).

This eROOM is a repository for proprietary sales summary and facility report originals submitted by the solid minerals reporters per 30 CFR subsections 210.202 and 210.204. Please contact this eRoom's coordinator for additional information.

MINE LIST	Communication	PROCEDURES	30 CFR 210.202 & 210.204	Calendar	Recycle Bin

Your Hidden Items

HN_NAVAJO TRIBE & HOPI TRIBE

Announcements

SALES CONTRACTS



SALES CONTRACTS

◆ **Who must submit?**

- those companies who sell coal, metals and certain other solid minerals produced from Federal and Indian leases with Ad Valorem royalty terms

ABOUT SALES CONTRACTS

- ◆ Are required per 30 CFR §210.203
- ◆ Only required to submit updates (i.e. modifications/amendments or new contracts)
- ◆ The information you submit should allow us to tie into the tonnage mined and price sold for, during any given period
- ◆ Are confidential and not available for public inspection, or made public or disclosed without consent of the lessee, except as otherwise provided by law or regulation
- ◆ Are exempt from disclosure under FOIA

SUBMISSION OF SALES CONTRACTS

What to Submit

- ◆ Sales contracts, agreements, & amendments for Federal and Indian leases with ad valorem royalty terms
- ◆ Any legal documents which affect the value of the contract

What not to Submit

- ◆ Any information which does not allow auditors to make a connection between the contract, Sales Summary and ultimately, the P&R report
- ◆ Do not submit letters of intent if a contract was never entered into

SUBMISSION OF SALES CONTRACTS

When to Submit

- ◆ Coal & Metals: Semi-annually, no later than March 30 & September 30 of each year
- ◆ Sodium/Potassium/Phosphate and other leases with ad valorem royalty terms: only if you are specifically requested to do so

How to Submit

- ◆ Submit complete **signed** copies to the address given at §210.202(c)(2) unless MMS publishes notice in the Federal Register giving a different address

TYPES OF SALES CONTRACTS

- ◆ Contracts & Agreements
 - ◆ Master contracts & any sub-contracts
 - ◆ Amendments
 - ◆ Confirmations
 - ◆ Spot coal purchases or contracts
 - ◆ Purchase orders
 - ◆ Invoices
 - ◆ and other correspondences such as legal documents
- 
- A decorative graphic of a teal mountain range is located in the bottom right corner of the slide.

ACCESS TO SALES CONTRACTS

Who may request access to a contract?

- ◆ STRAC auditors
- ◆ Bureau of Land Management (BLM)

How do I request a contract?

- ◆ All requests must be made in writing, e-mails are acceptable, and should be sent to the attention of your Property Specialist
- ◆ State the purpose and any information which will help us locate the contract expeditiously, we will make every effort to provide contract quickly
- ◆ Contracts cannot be accessed electronically

HOW DO AUDITORS USE SALES CONTRACTS?

- ◆ The documents should provide Auditors with:
 - ◆ The mine and possible substitute mines of the solid mineral
 - ◆ An indication of the tonnage each buyer purchased under contract,
 - ◆ Any allowances or adjustments
 - ◆ Price per ton
 - ◆ Period covered
 - ◆ Any other pertinent information that will allow auditors to tie into monthly reports and determine if monthly figures are reflective of the sales that have been made.

HOW DO AUDITORS USE SALES CONTRACTS?

- ◆ Auditors should be able to link to the production quantity & price sold at a mine less any adjustments specified in the agreement
 - ◆ Used in identifying valuation issues
 - ◆ Establishing selling arrangement relationships
 - ◆ And for compliance purposes
- 

THE END

